Habitat Restoration in Floodplains and Marshes:

CALFED Recommended Level of Funding:	**$35,542,000**
Total Funds Obligated Through December 31, 1998:	**$32,842,000**
Total Funds Expended Through December 31, 1998:	**$3,608,634**

1) **Program Title:** Floodplain Restoration/Habitat Restoration on Existing Conservation Lands Program

CALFED Recommended Level of Funding:	$16,700,000
Total Funds Obligated Through December 31, 1998:	$14,000,000
Total Funds Expended Through December 31, 1998:	$5,989

Funding provided to: U.S. Fish and Wildlife Service

Program Description: This program will focus on opportunities to expand floodways and riparian corridors, providing greater flood management flexibility and ecosystem benefits. It will use the priority species to identify and restore lands within the floodplains of the major rivers or their tributaries. An emphasis will be placed on lands flooded in January 1997. Conservation easements will be given a preference if they meet ecosystem restoration objectives. This program will also implement habitat restoration at existing sites already in conservation ownership. The U.S. Fish and Wildlife Service will work with the U.S. Army Corps of Engineers, the Natural Resources Conservation Service, and the U.S. Bureau of Land Management. The following three items are included within the Floodplain Restoration/Habitat Restoration on Existing Conservation Lands Program (items A through C):

Project Selection Process: April 2, 1998

Final Project Selection: September 14, 1998

A) Status of the Proposal Solicitation Package of May 8, 1998 (PSP)

CALFED Recommended Level of Funding:	$16,545,000
Total Funds Obligated Through December 31, 1998:	$13,845,000
Total Funds Expended Through December 31, 1998:	$5,989

Funding Provided to: U.S. Fish and Wildlife Service

Project Description: This program will focus on opportunities to expand floodways and riparian corridors, providing greater flood management flexibility and ecosystem benefits. It will use the priority species to identify and restore lands within the floodplains of the major rivers or their tributaries. An emphasis will be placed on lands flooded in January 1997. Conservation easements will be given a preference if they meet ecosystem restoration objectives. This program will also implement habitat restoration at existing sites already in conservation ownership. The U.S. Fish and Wildlife Service will work with the U.S. Army Corps of Engineers, the Natural Resources Conservation Service, and the U.S. Bureau of Land Management.

Project Selection Process: April 2, 1998

Final Project Selection: September 14, 1998

First Quarter Accomplishments:

Began agreement negotiations with nineteen project proponents as follows[1] -

[1] Upon completion of the agreement negotiations, each project will be listed in the Quarterly Report with specific project description, completion data, and accomplishments.

Project	Recommended Funding Level	Funding Recipient (Project proponent)
Grayson River Ranch Perpetual Easement and Restoration	$732,000	East Stanislaus Reclamation Conservation District and the Friends of the Tuolumne
Hill Slough West Habitat Demonstration Project	200,000	California Department of Fish and Game
Rhode Island Floodplain Management and Habitat Restoration	25,000	California Department of Fish and Game
Nelson Slough Wildlife Area Restoration Demonstration Project	256,476	California Department of Fish and Game
Merced River Salmon Habitat Enhancement, Phase III	2,433,759	California Department of Fish and Game
Stone Lakes National Wildlife Refuge Land Acquisitions	1,900,000	U.S. Fish and Wildlife Service
Petaluma Marsh Expansion Project - Marin County	352,135	Marin Audubon Society
South Napa River Wetlands Acquisition and Restoration Program	431,000	Napa County Land Trust
Lower Clear Creek Floodway Restoration Project	3,559,596	Western Shasta Resource Conservation District
Fern-Headreach Tidal perennial Aquatic and Shaded Riverine Aquatic Habitat Conservation	425,000	Thomas Luckey (L&L Farms)

Project	Recommended Funding Level	Funding Recipient (Project proponent)
Project		
Benicia Waterfront Marsh Restoration	59,000	City of Benicia
Floodplain Acquisition, Management, and Monitoring on the Sacramento River	1,000,000	The Nature Conservancy
Cosumnes River Acquisition, Restoration, Planning, and Demonstration	750,000	The Nature Conservancy
Deer and Mill Creeks Acquisition and Enhancement	1,000,000	The Nature Conservancy
Lower San Joaquin River Floodplain Protection and Restoration Project	1,100,000	U.S. Fish and Wildlife Service
Biological Restoration and Monitoring in the Suisun Marsh/North San Francisco Bay Ecological Zone	772,667	California State University, Hayward
South Napa River Tidal Slough and Floodplain Restoration Project	1,455,000	City of American Canyon
Butte Creek Riparian Restoration Demonstration	76,348	California State University, Chico
Technical Review and Quality Control[2]	17,019	U.S. Fish and Wildlife Service
TOTAL PENDING	**$16,545,000**	

[2] A request for an additional $862,000 from the Technical Review and Quality Control Program was made by the Policy Grou in their December 4, 1998 letter. Approval this request was provided by the Secretary's office on January 6, 1999. Funding will be provided to the U.S. Fish and Wildlife Service to provide the necessary Technical Review of the projects selected through the Public Solicitation process.

Project	Recommended Funding Level	Funding Recipient (Project proponent)
AGREEMENT		

CALFED agencies requested an additional $2.7 million in funding on December 4, 1998[3].

B) Project Title: Butte Creek Acquisition

CALFED Recommended Level of Funding:	$125,000
Total Funds Obligated Through December 31, 1998:	$125,000
Total Funds Expended Through December 31, 1998:	$0

Funding Provided to: U.S. Fish and Wildlife Service

Project Description: The Research Foundation of California State University, Chico, and the Butte Creek Watershed Conservancy are engaged in a long-range watershed management planning effort for Butte Creek in cooperation with landowners, water users, agricultural interests, conservation groups and state and federal agencies under the supervision of the Department of Geography and Planning at California State University, Chico. Protection of critical habitat for the endangered spring run Chinook salmon and steelhead trout populations of Butte Creek is a high-priority for all the agencies working on anadromous fisheries. This area would provide an opportunity to develop and demonstrate methods of channel and floodplain management that would help to stabilize the sediment and bedload input from the remains of the gravel mining operation. Development of a natural floodplain could have tremendous implications for riparian plant species that would help to cool the stream, filter urban runoff, capture large woody debris and increase the water storage and groundwater recharge capabilities of lower Butte Creek. Funding for this project has been provided through the State of California's Department of Water Resources, the State's Proposition 204, and the Federal Bay-Delta Account (total project cost is estimated to be $869,000).

Expected Project Completion Date: August 2000

First Quarter Accomplishments:

With the property appraisal and reviews complete, the property has closed escrow and the papers were signed as of December 31, 1998.

C) Project Title: Lower Mill Creek Riparian Restoration

CALFED Recommended Level of Funding:	$30,000
Total Funds Obligated Through December 31, 1998:	$30,000
Total Funds Expended Through December 31, 1998:	$0

Funding Provided to: U.S. Fish and Wildlife Service

Project Description: The proposed project will restore and enhance native riparian vegetation on one or more parcels along lower Mill Creek, a high-priority tributary of the upper Sacramento River. The project will focus on one or more identified gaps in existing riparian habitat along lower Mill Creek and will contribute toward the long-range goal of

[3] Approval of the December 4, 1998, request was provided by the Secretary's office on January 6, 1999.

restoring a continuous corridor of native riparian vegetation. The project has three primary objectives:

1) Helping to maintain and restore native shaded riverine aquatic habitat for native fisheries and other species.
2) Enhancing instream aquatic habitat by moderating water temperatures and reducing erosion, and monitoring effectiveness of planting and erosion control measures.
3) Engaging students and local landowners in restoration activities to demonstrate the feasibility and benefits of ecological restoration and to foster community support for restoration activities.

The Mill Creek Conservancy and The Nature Conservancy will coordinate project implementation with the landowner and with teachers and students from the Los Molinos High School and the Mill Creek Watershed Advisory committee. Specific tasks will include planting native shrubs and trees adjacent to existing vegetation to fill gaps in the riparian corridor, controlling invasive non-native plants, and monitoring plant survival and water temperature. Protection strategies including land acquisition or other binding agreements will be pursued with willing private landowners o f the restoration site. Funding for this project has been provided through the State's Proposition 204, the Federal Bay-Delta Account, and other local districts (total project cost is estimated to be $238,000).

Expected Project Completion Date: April 28, 2001

First Quarter Accomplishments:

The Nature Conservancy completed acquisition of the restoration site on December 28, 1998. Much work has been done towards completing the site plan. Site preparation will begin once the site plan is complete.

2) **Project Title:** San Joaquin Floodplain Acquisition and Riparian Restoration

CALFED Recommended Level of Funding:	$10,647,000
Total Funds Obligated Through December 31, 1998:	$10,647,000
Total Funds Expended Through December 31, 1998:	$63,923

Funding provided to: U.S. Fish and Wildlife Service

Project Description: Acquisition, preservation, and restoration of 6,169 acres of fish and wildlife habitat on the San Joaquin River floodplain for the San Joaquin River National Wildlife Refuge. Benefits to migratory birds and other bird species, splittail, and San Joaquin fall-run chinook. Provides some flood protection through widening of floodplain and transient storage of flood waters. The Fish and Wildlife Service is combining Bay-Delta funding with funds from other sources to cover the total cost of this project.

Expected Project Completion Date: December 31, 1998 (*to be extended to October 31, 1999 pending CALFED agreement.*)

First Quarter Accomplishments:

Vertebrate census data analysis has begun and species lists have been updated with the additional documented species. Since the Vierra property has recently been purchased, site clean-up will commence on this parcel and be completed during the next quarter.

3) **Project Title:** Cosumnes River Floodplain Acquisition

CALFED Recommended Level of Funding: $3,500,000
Total Funds Obligated Through December 31, 1998: $3,500,000
Total Funds Expended Through December 31, 1998: $3,500,000

Funding provided to: The Nature Conservancy (TNC)

Project Description: TNC and the Wildlife Conservation Board (WCB) are collaborating to acquire three properties (Whaley, Denier, and Park) from private willing sellers. The title of these properties will vest either with WCB, the State Lands Commission, or TNC and will remain part of the Cosumnes River Preserve. On June 15, 1998, the Policy Group forwarded a request for $3.4 million to fund the purchase of Denier and Park properties. TNC was provided an additional $100,000 in order to purchase 285 acres of the Whaley property with an escrow closing date of July 10, 1998. The properties will become part of the Cosumnes River Preserve, a 10-year-old, multi-partner effort that has successfully protected and restored riparian forest, seasonal wetland, and tidal habitats along the Cosumnes River. The project ranked among the highest priority project in the State's 1997 Request for Proposal. This project had originally been selected for funding through the State's Proposition 204 funds. However, the State was unable to provide the funds required by the close of escrow for the properties. The Policy Group, with concurrence from the BDAC and Ecosystem Roundtable, requested funding from the Federal Bay-Delta Account.

Expected Project Completion Date: December 31, 1998

First Quarter Accomplishments:

CALFED partially funded acquisition of the Park, Whaley and Denier properties. Acquisition of these properties substantially added to the Cosumnes River Preserve, a 10-year-old multi-partner effort that has successfully protected and restored riparian forest, seasonal wetland, and tidal habitat along the Cosumnes River. Acquisition is complete.

4) **Project Title:** Prospect Island Habitat Protection Project

CALFED Recommended Level of Funding: $2,000,000
Total Funds Obligated Through December 31, 1998: $2,000,000
Total Funds Expended Through December 31, 1998: $22,365

Funding provided to: U.S. Army Corps of Engineers

Project Description: The U.S. Army Corps of Engineers and the State of California, Department of Water Resources are co-sponsors of this project, which is designed to restore 1,200 acres of fresh-water tidal marsh and riparian habitat in the Delta. This project would provide habitat that may be beneficial as rearing habitat for fry and juvenile chinook salmon; spawning and rearing habitat for resident Delta Fish, such as Delta Smelt and splittail; and habitat for waterfowl and shorebirds. The U.S. Fish and Wildlife Service plans to include the project in its proposed North Delta National Wildlife Refuge. The Prospect Island Protection Project will prevent further loss of the valuable riparian ecosystem on the island by repairing levees and returning the island to its pre-flood condition.

Expected Project Completion Date: September 30, 1999

First Quarter Accomplishments:

The first step in the habitat restoration project was to repair Miner Slough levee. The Corps completed those repairs and then began pumping floodwater off of the island while concurrently repairing the cross levee breach. Further repair of the cross levee and

sandbagging will follow. By return of summer weather, the habitat contouring may commence through funding provided through the Army Corps of Engineers.

5) **Program Title:** Habitat Restoration/Flood Control Bypasses Program

CALFED Recommended Level of Funding:	$1,200,000
Total Funds Obligated Through December 31, 1998:	$1,200,000
Total Funds Expended Through December 31, 1998:	$0

Funding provided to: U.S. Army Corps of Engineers (COE)
Project Description: The current flood control bypasses along the Sacramento River provide seasonally flooded habitat, but also result in stranding of juvenile salmonids and other Delta fish. This program will evaluate restoration needs and opportunities to improve habitat, reduce stranding, and to improve connectivity with the Sacramento River and the North Delta. Elements to be evaluated would include: a) improve existing habitats; b) improve streamflows; c) improve wetland, riparian, slough, agricultural, and shaded riverine aquatic habitats; d) eliminate fish barriers; e) reduce fish entrainment and stranding; and f) develop wildlife and fisheries friendly levee maintenance programs. The proposed actions will be developed to avoid conflicts with existing and future flood control needs. The U.S. Army Corps of Engineers will work with CALFED Staff to develop this program in accordance with Ecosystem Roundtable and Policy Group requirements.
Expected Project Completion Date: Still developing the program with CALFED staff.
First Quarter Accomplishments:
Currently working on resource plan to initiate project schedule and budget. Coordinating solicitation process with CALFED Program Staff. Development of scope of work and criteria is continuing. Projects will be solicited through the February 1999 CALFED Public Solicitation Package.

6) **Project Title:** Napa River Wetlands Acquisition

CALFED Recommended Level of Funding:	$1,000,000
Total Funds Obligated Through December 31, 1998:	$1,000,000
Total Funds Expended Through December 31, 1998:	$0

Funding provided to: U.S. Bureau of Reclamation

Project Description: This project will allow acquisition of approximately 68 acres of diked, historic wetlands along the Napa River. The land will be restored to estuarine, riparian, and aquatic habitats through a combination of floodplains and marshplains. This project targets the primary objectives of the CALFED program by acquiring lands which were historically part of the San Francisco Bay Area wetland system and which directly influence the survival of several endangered species. These lands are at high risk of conversion to vineyard and/or urbanization. This project is a phased approach to land acquisition and restoration. Once acquired by the Napa County Land Trust, the title to these properties will be simultaneously conveyed to the California Department of Fish and Game, along with the responsibility for maintenance thereof. Restoration activities will be undertaken by the California Department of Fish and Game and the U.S. Army Corps of Engineers.
Expected Project Completion Date: September 30, 2000
First Quarter Accomplishments:

The Napa County Land Trust is negotiating purchases along the Napa River as described in their proposal. Progress has been slow but negotiations are continuing amicably.

7) **Project Title:** Bear Creek Floodplain Restoration Demonstration Project

CALFED Recommended Level of Funding:	$334,000
Total Funds Obligated Through December 31, 1998:	$334,000
Total Funds Expended Through December 31, 1998:	$16,357

Funding provided to: U.S. Fish and Wildlife Service
Project Description: Feasibility analysis for restoring floodplain function along the San Joaquin River and Bear Creek on public lands to provide flood protection benefits, enhance shaded riverine aquatic habitat and wetlands, and improve instream habitat for the San Luis National Wildlife Refuge Complex. Benefits to migratory birds, San Joaquin fall run chinook salmon, and several other fish species are expected.
Expected Project Completion Date: March 31, 1999
First Quarter Accomplishments:
Contractor has reviewed biological data obtained from San Luis National Wildlife Refuge and Grant Valley State Park files. Biological resources have been summarized in a tabular format. The U.S. Army Corps of Engineers(COE) data from the San Joaquin River comprehensive study has been obtained to improve accuracy and reliability of hydrologic analysis. Fish and Wildlife Service conducted survey work and obtained survey data from other agencies needed to complete the project basemap. Contract modification funded additional underwater survey work on the Salt Slough. Preparations for development of project hydrology to run the UNET model have been made.

8) **Project Title:** Cache Slough Habitat Enhancement

CALFED Recommended Level of Funding:	$85,000
Total Funds Obligated Through December 31, 1998:	$85,000
Total Funds Expended Through December 31, 1998:	$0

Funding provided to: U.S. Bureau of Reclamation
Project Description: Reclamation District 2060 proposes restoration of approximately 2,000 linear feet of levee bank where erosion has destroyed shaded riverine aquatic habitat and created erosion pockets. Instead of utilizing traditional erosion repair (i.e., fill and riprap), the Reclamation District 2060 plans to stabilize the bank and encourage habitat which will benefit target priority species including the Delta smelt. The U.S. Bureau of Reclamation will work with Reclamation District 2060 in accomplishing this project.
Expected Project Completion Date: May 31, 1999
First Quarter Accomplishments:
The U.S. Army Corps of Engineers is reviewing the erosion sites. When the Corps approval is complete, progress on the project will continue.

9) **Project Title:** Regional Wetlands Goals Project

CALFED Recommended Level of Funding:	$76,000
Total Funds Obligated Through December 31, 1998:	$76,000
Total Funds Expended Through December 31, 1998:	$0

Funding provided to: U.S. Environmental Protection Agency (EPA)

Project Description: This project is a multi-agency, interdisciplinary planning effort whose main objective is to identify the kinds, amounts, and distribution of wetlands and related habitats needed to sustain diverse and healthy communities of fish and wildlife in the San Francisco Bay area. The habitat restoration goals for this project will provide the biological basis for regional wetlands management and will provide specific information required by the CALFED planning process to meet restoration goals throughout the San Francisco Bay. EPA is working with the San Francisco Estuary Institute to accomplish the goals of this project.

Expected Project Completion Date: September 30, 2002

First Quarter Accomplishments:

The Environmental Protection Agency and the San Francisco Estuary Institute are working with CALFED Program Staff in developing the program for issuance in a public solicitation package later in FY 1999.